

## SENATE BILL No. 433

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### DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 13-11-2; IC 13-19-5; IC 13-23-16; IC 13-25-4-8; IC 36-1-7; IC 36-7.

**Synopsis:** Environmental remediation. Broadens permissible uses of the environmental remediation revolving loan fund. Increases from 10% to 50% the amount of money available in the fund that may be loaned by the Indiana finance authority (authority) to any one political subdivision in a state fiscal year. Requires the authority to undertake activities to make private environmental insurance products available to encourage and facilitate the cleanup and redevelopment of brownfield properties. Allows the authority to provide services to and collect fees from any person in connection with financial assistance, liability clarification, and technical assistance. Requires the deposit of fee revenue in the fund. Allows the authority to enter into agreements with political subdivisions for various purposes related to environmental investigation and remediation. Provides governmental immunity to the authority with respect to investigation and remediation of brownfields under agreements with political subdivisions. Allows redevelopment commissions to enter into agreements with the authority and to carry out environmental investigation and remediation. Provides that no activity of a political subdivision related to investigation or remediation on a brownfield site will be considered to contribute to the contamination at the site unless caused by gross negligence or willful misconduct. Makes technical corrections.

**Effective:** July 1, 2007.

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**Gard**

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January 11, 2007, read first time and referred to Committee on Energy and Environmental Affairs.

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Introduced

First Regular Session 115th General Assembly (2007)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2006 Regular Session of the General Assembly.

## SENATE BILL No. 433

A BILL FOR AN ACT to amend the Indiana Code concerning environmental law.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 13-11-2-148 IS AMENDED TO READ AS
- 2 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 148. (a) "Operator", for
- 3 purposes of IC 13-18-10, means the person in direct or responsible
- 4 charge or control of one (1) or more confined feeding operations.
- 5 (b) "Operator", for purposes of IC 13-18-11 and environmental
- 6 management laws, means the person in direct or responsible charge and
- 7 supervising the operation of:
- 8 (1) a water treatment plant;
- 9 (2) a wastewater treatment plant; or
- 10 (3) a water distribution system.
- 11 (c) "Operator", for purposes of IC 13-20-6, means a corporation, a
- 12 limited liability company, a partnership, a business association, a unit,
- 13 or an individual who is a sole proprietor that is one (1) of the following:
- 14 (1) A broker.
- 15 (2) A person who manages the activities of a transfer station that
- 16 receives municipal waste.
- 17 (3) A transporter.

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(d) "Operator", for purposes of IC 13-23, except as provided in subsection (e), means a person:

- (1) in control of; or
  - (2) having responsibility for;
- the daily operation of an underground storage tank.

(e) "Operator", for purposes of IC 13-23-13, does not include the following:

(1) A person who:

(A) does not participate in the management of an underground storage tank;

(B) is otherwise not engaged in the:

- (i) production;
- (ii) refining; and
- (iii) marketing;

of regulated substances; and

(C) holds evidence of ownership, primarily to protect the owner's security interest in the tank.

(2) A person who:

(A) does not own or lease, directly or indirectly, the facility or business at which the underground storage tank is located;

(B) does not participate in the management of the facility or business described in clause (A); and

(C) is engaged only in:

- (i) filling;
- (ii) gauging; or
- (iii) filling and gauging;

the product level in the course of delivering fuel to an underground storage tank.

**(3) A political subdivision (as defined in IC 36-1-2-13) or unit of federal or state government that:**

**(A) acquires ownership or control of an underground storage tank on a brownfield because of:**

- (i) bankruptcy;**
- (ii) foreclosure;**
- (iii) tax delinquency, including an acquisition under IC 6-1.1-24 or IC 6-1.1-25;**
- (iv) abandonment;**
- (v) the exercise of eminent domain, including any purchase of property once an offer to purchase has been tendered under IC 32-24-1-5;**
- (vi) receivership;**
- (viii) transfer from another political subdivision or unit**

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of federal or state government;

(ix) acquiring an area needing redevelopment (as defined in IC 36-7-1-3) or conducting redevelopment activities, specifically under IC 36-7-14-22.2, IC 36-7-14-22.5, IC 36-7-15.1-15.1, IC 36-7-15.1-15.2, and IC 36-7-15.1-15.5;

(x) other circumstances in which the political subdivision or unit of federal or state government involuntarily acquired an interest in the property because of the political subdivision's or unit's function as sovereign; or  
(xi) any other means to conduct remedial actions on a brownfield; and

**(B) is engaged only in activities in conjunction with:**

(i) investigation or remediation of hazardous substances, petroleum, and other pollutants associated with a brownfield, including complying with land use restrictions and institutional controls; or

(ii) monitoring or closure of an underground storage tank;

unless existing contamination on the brownfield is exacerbated due to gross negligence or intentional misconduct by the political subdivision or unit of federal or state government.

**(f) For purposes of subsection (e)(3)(B), reckless, willful, or wanton misconduct constitutes gross negligence.**

SECTION 2. IC 13-11-2-150, AS AMENDED BY P.L.208-2005, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 150. (a) "Owner", for purposes of IC 13-23 (except as provided in subsections (b) and (c)) means:

(1) for an underground storage tank that:

(A) was:

(i) in use on November 8, 1984; or

(ii) brought into use after November 8, 1984;

for the storage, use, or dispensing of regulated substances, a person who owns the underground storage tank; or

(B) is:

(i) in use before November 8, 1984; but

(ii) no longer in use on November 8, 1984;

a person who owned the tank immediately before the discontinuation of the tank's use; or

(2) a person who conveyed ownership or control of the underground storage tank to a political subdivision (as defined in

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IC 36-1-2-13) or unit of federal or state government because of:

(A) bankruptcy;

(B) foreclosure;

(C) tax delinquency, including a conveyance under IC 6-1.1-24 or IC 6-1.1-25;

(D) abandonment;

(E) the exercise of eminent domain, including any purchase of property once an offer to purchase has been tendered under IC 32-24-1-5;

(F) receivership;

**(G) acquiring an area needing redevelopment (as defined in IC 36-7-1-3) or conducting redevelopment activities, specifically under IC 36-7-14-22.2, IC 36-7-14-22.5, IC 36-7-15.1-15.1, IC 36-7-15.1-15.2, and IC 36-7-15.1-15.5;**

~~(G)~~ (H) other circumstances in which a political subdivision or unit of federal or state government involuntarily acquired ownership or control because of the political subdivision's or unit's function as sovereign; or

~~(H)~~ (I) any other means to conduct remedial actions on a brownfield;

if the person was a person described in subdivision (1) immediately before the person conveyed ownership or control of the underground storage tank.

(b) "Owner", for purposes of IC 13-23-13, does not include a person who:

(1) does not participate in the management of an underground storage tank;

(2) is otherwise not engaged in the:

(A) production;

(B) refining; and

(C) marketing;

of regulated substances; and

(3) holds indicia of ownership primarily to protect the owner's security interest in the tank.

(c) "Owner", for purposes of IC 13-23, does not include a political subdivision (as defined in IC 36-1-2-13) or unit of federal or state government that acquired ownership or control of an underground storage tank because of:

(1) bankruptcy;

(2) foreclosure;

(3) tax delinquency, including an acquisition under IC 6-1.1-24 or

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IC 6-1.1-25;

(4) abandonment;

(5) the exercise of eminent domain, including any purchase of property once an offer to purchase has been tendered under IC 32-24-1-5;

(6) receivership;

~~(7) other circumstances in which the political subdivision or unit of federal or state government involuntarily acquired ownership or control because of the political subdivision's or unit's function as sovereign;~~

~~(8) (7) transfer from another political subdivision or unit of federal or state government; or~~

**(8) acquiring an area needing redevelopment (as defined in IC 36-7-1-3) or conducting redevelopment activities, specifically under IC 36-7-14-22.2, IC 36-7-14-22.5, IC 36-7-15.1-15.1, IC 36-7-15.1-15.2, and IC 36-7-15.1-15.5;**

**(9) other circumstances in which the political subdivision or unit of federal or state government involuntarily acquired ownership or control because of the political subdivision's or unit's function as sovereign; or**

~~(9) (10) any other means to conduct remedial actions on a brownfield;~~

unless the political subdivision or unit of federal or state government causes or contributes to the release or threatened release of a **regulated** substance, in which case the political subdivision or unit of federal or state government is subject to IC 13-23 in the same manner and to the same extent as a nongovernmental entity under IC 13-23.

SECTION 3. IC 13-11-2-151, AS AMENDED BY P.L.208-2005, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 151. (a) "Owner or operator", for purposes of IC 13-24-1, means the following:

(1) For a petroleum facility, a person who owns or operates the facility.

(2) For a petroleum facility where title or control has been conveyed because of:

(A) bankruptcy;

(B) foreclosure;

(C) tax delinquency, including a conveyance under IC 6-1.1-24 or IC 6-1.1-25;

(D) abandonment;

(E) the exercise of eminent domain, including any purchase of property once an offer to purchase has been tendered under

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1 IC 32-24-1-5;  
 2 (F) receivership;  
 3 **(G) acquiring an area needing redevelopment (as defined**  
 4 **in IC 36-7-1-3) or conducting redevelopment activities,**  
 5 **specifically under IC 36-7-14-22.2, IC 36-7-14-22.5,**  
 6 **IC 36-7-15.1-15.1, IC 36-7-15.1-15.2, and**  
 7 **IC 36-7-15.1-15.5;**  
 8 ~~(G)~~ **(H)** other circumstances in which a political subdivision  
 9 (as defined in IC 36-1-2-13) or unit of federal or state  
 10 government involuntarily acquired title or control because of  
 11 the political subdivision's or unit's function as sovereign; or  
 12 ~~(H)~~ **(I)** any other means to conduct remedial actions on a  
 13 brownfield;  
 14 to a political subdivision or unit of federal or state government, a  
 15 person who owned, operated, or otherwise controlled the  
 16 petroleum facility immediately before title or control was  
 17 conveyed.  
 18 (b) Subject to subsection (c), the term does not include a political  
 19 subdivision or unit of federal or state government that acquired  
 20 ownership or control of the facility through:  
 21 (1) bankruptcy;  
 22 (2) foreclosure;  
 23 (3) tax delinquency, including an acquisition under IC 6-1.1-24 or  
 24 IC 6-1.1-25;  
 25 (4) abandonment;  
 26 (5) the exercise of eminent domain, including any purchase of  
 27 property once an offer to purchase has been tendered under  
 28 IC 32-24-1-5;  
 29 (6) receivership;  
 30 ~~(7) other circumstances in which the political subdivision or unit~~  
 31 ~~of federal or state government involuntarily acquired title because~~  
 32 ~~of the political subdivision's or unit's function as sovereign;~~  
 33 ~~(8) (7) transfer from another political subdivision or unit of~~  
 34 ~~federal or state government; or~~  
 35 **(8) acquiring an area needing redevelopment (as defined in**  
 36 **IC 36-7-1-3) or conducting redevelopment activities,**  
 37 **specifically under IC 36-7-14-22.2, IC 36-7-14-22.5,**  
 38 **IC 36-7-15.1-15.1, IC 36-7-15.1-15.2, and IC 36-7-15.1-15.5;**  
 39 **(9) other circumstances in which the political subdivision or**  
 40 **unit of federal or state government involuntarily acquired**  
 41 **ownership or control because of the political subdivision's or**  
 42 **unit's function as sovereign; or**

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~~(9)~~ **(10)** any other means to conduct remedial actions on a brownfield.

(c) The term includes a political subdivision or unit of federal or state government that causes or contributes to the release or threatened release of a **regulated** substance, in which case the political subdivision or unit of federal or state government is subject to IC 13-24-1:

- (1) in the same manner; and
- (2) to the same extent;

as a nongovernmental entity under IC 13-24-1.

(d) The term does not include a person who:

- (1) does not participate in the management of a petroleum facility;
- (2) is otherwise not engaged in the:
  - (A) production;
  - (B) refining; and
  - (C) marketing;
- of petroleum; and
- (3) holds evidence of ownership in a petroleum facility, primarily to protect the owner's security interest in the petroleum facility.

SECTION 4. IC 13-19-5-1, AS AMENDED BY P.L.235-2005, SECTION 171, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. The environmental remediation revolving loan program is established to assist in the remediation of brownfields to encourage the rehabilitation, redevelopment, and reuse of real property ~~by political subdivisions~~ by providing grants, loans, forgivable loans, or other financial assistance to political subdivisions to conduct any of the following activities:

- (1) Identification and acquisition of brownfields within a political subdivision as suitable candidates for redevelopment following the completion of remediation activities.
- (2) Environmental assessment of identified brownfields, **including assessment of petroleum contamination**, and other activities necessary or convenient to complete the environmental assessments.
- (3) Remediation activities conducted on brownfields, including:
  - (A) remediation of petroleum contamination; and**
  - (B) other activities necessary or convenient to complete remediation activities conducted on brownfields, including clearance of real property.**
- ~~(4) The clearance of real property under IC 36-7-14-12.2 or IC 36-7-15.1-7 in connection with remediation activities.~~
- ~~(5)~~ **(4) Other activities in conjunction with assessment and**

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1 **remediation activities** necessary or convenient to ~~complete~~  
 2 ~~remediation activities on brownfields.~~ **prepare a brownfield for**  
 3 **redevelopment.**

4 SECTION 5. IC 13-19-5-2, AS AMENDED BY P.L.235-2005,  
 5 SECTION 172, IS AMENDED TO READ AS FOLLOWS  
 6 [EFFECTIVE JULY 1, 2007]: Sec. 2. (a) The environmental  
 7 remediation revolving loan fund is established for the purpose of  
 8 providing money for loans and other financial assistance, including  
 9 grants, to or for the benefit of political subdivisions under this chapter.  
 10 The authority shall administer, hold, and manage the fund.

11 (b) Expenses of administering the fund shall be paid from money in  
 12 the fund.

13 (c) The fund consists of the following:

- 14 (1) Appropriations made by the general assembly.
- 15 (2) Grants and gifts intended for deposit in the fund.
- 16 (3) Repayments of loans and other financial assistance, including
- 17 premiums, interest, and penalties.
- 18 (4) Proceeds from the sale of loans and other financial assistance
- 19 under section 9 of this chapter.
- 20 (5) Interest, premiums, gains, or other earnings on the fund.
- 21 (6) Money transferred from the hazardous substances response
- 22 trust fund under IC 13-25-4-1(a)(9).

23 **(7) Fees collected under section 7 of this chapter.**

24 (d) The authority shall invest the money in the fund not currently  
 25 needed to meet the obligations of the fund in accordance with an  
 26 investment policy adopted by the authority. Interest, premiums, gains,  
 27 or other earnings from these investments shall be credited to the fund.

28 (e) As an alternative to subsection (d), the authority may invest or  
 29 cause to be invested all or a part of the fund in a fiduciary account with  
 30 a trustee that is a financial institution. Notwithstanding any other law,  
 31 any investment may be made by the trustee in accordance with at least  
 32 one (1) trust agreement or indenture. A trust agreement or indenture  
 33 may allow disbursements by the trustee to:

- 34 (1) the authority;
- 35 (2) a political subdivision;
- 36 (3) the Indiana bond bank; or
- 37 (4) any person to which the authority, the Indiana bond bank, or
- 38 a political subdivision is obligated, including a trustee that is a
- 39 financial institution for a grantor trust;

40 as provided in the trust agreement or indenture. The budget agency  
 41 must approve any trust agreement or indenture before its execution.

42 SECTION 6. IC 13-19-5-3, AS AMENDED BY P.L.235-2005,

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SECTION 173, IS AMENDED TO READ AS FOLLOWS  
[EFFECTIVE JULY 1, 2007]: Sec. 3. (a) The authority shall do the  
following under this chapter:

(1) Be responsible for the management of all aspects of the  
program.

(2) Prepare and provide program information.

(3) Negotiate the negotiable aspects of each financial assistance  
agreement and submit the agreement to the budget agency for  
approval.

(4) Sign each financial assistance agreement.

(5) Review each proposed project and financial assistance  
agreement to determine if the project meets the credit, economic,  
or fiscal criteria established by guidelines of the authority.

(6) Periodically inspect or cause to be inspected projects to  
determine compliance with this chapter.

(7) Conduct or cause to be conducted an evaluation concerning  
the financial ability of a political subdivision to:

(A) pay a loan or other financial assistance and other  
obligations evidencing loans or other financial assistance, if  
required to be paid; and

(B) otherwise comply with terms of the financial assistance  
agreement.

(8) Evaluate or cause to be evaluated the technical aspects of the  
political subdivision's:

(A) environmental assessment of potential brownfield  
properties;

(B) proposed remediation; and

(C) remediation activities conducted on brownfield properties.

(9) Inspect or cause to be inspected remediation activities  
conducted under this chapter.

(10) Act as a liaison ~~with the department~~ to the United States  
Environmental Protection Agency regarding the program.

(11) Be a point of contact for political subdivisions concerning  
questions about the program.

(12) Enter into memoranda of understanding, as necessary, with  
the department and the budget agency concerning the  
administration and management of the fund and the program.

**(13) Undertake activities to make private environmental  
insurance products available to encourage and facilitate the  
cleanup and redevelopment of brownfield properties.**

**(14) Enter into agreements with political subdivisions to  
manage any of the following conducted on brownfield**

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properties:

(A) Environmental assessment activities.

(B) Environmental remediation activities.

(b) The authority may:

(1) negotiate with;

(2) select; and

(3) contract with;

one (1) or more insurers to provide insurance products as described in subsection (a)(13).

(c) Notwithstanding IC 13-23, IC 13-24-1, and IC 13-25-4, the authority is not liable for any contamination addressed by the authority under an agreement under subsection (a)(14) unless existing contamination on the brownfield is exacerbated due to gross negligence or intentional misconduct by the authority.

(d) For purposes of subsection (c), reckless, willful, or wanton misconduct constitutes gross negligence.

(e) The authority is entitled to the same governmental immunity afforded a political subdivision under IC 34-13-3-3(23) for any act taken to investigate or remediate hazardous substances, petroleum, or other pollutants associated with a brownfield under an agreement under subsection (a)(14).

SECTION 7. IC 13-19-5-7, AS AMENDED BY P.L.235-2005, SECTION 175, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 7. (a) The authority may provide services to a ~~political subdivision~~ **person (as defined in IC 13-11-2-158(a))** in connection with a ~~loan or other~~ financial assistance, ~~including advisory and other services,~~ **technical assistance, and liability clarification,** and may ~~charge~~ **assess and collect** a fee for:

(1) services provided **to offset the costs of providing the services;** and

(2) costs and services incurred in the review or consideration of an application for a proposed loan or other financial assistance to or for the benefit of a political subdivision under this chapter, regardless of whether the application is approved or rejected.

(b) A political subdivision may pay fees charged under this section.

**(c) The authority shall adopt guidelines for the assessment and collection of fees under this section.**

**(d) Fees collected under this section shall be deposited in the fund.**

SECTION 8. IC 13-19-5-8, AS AMENDED BY P.L.235-2005, SECTION 176, IS AMENDED TO READ AS FOLLOWS

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[EFFECTIVE JULY 1, 2007]: Sec. 8. The authority may use a priority ranking system in making loans and providing other financial assistance under this chapter based on the following:

- (1) Socioeconomic distress in an area, as determined by the poverty level and unemployment rate in the area.
- (2) The technical evaluation ~~by the department~~ under section 3(8)(A) and 3(8)(B) of this chapter.
- (3) Other factors determined by the authority, including the following:
  - (A) The number and quality of jobs that would be generated by a project.
  - (B) Housing, recreational, and educational needs of communities.
  - (C) Any other factors the authority determines will assist in the implementation of this chapter.

SECTION 9. IC 13-19-5-9, AS AMENDED BY P.L.235-2005, SECTION 177, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 9. (a) A loan or other financial assistance must be used for at least one (1) of the purposes under section 1 of this chapter and may be used for any of the following purposes:

- (1) To:
  - (A) establish guaranties, reserves, or sinking funds, including guaranties, reserves, or sinking funds to secure and pay, in whole or in part, loans or other financial assistance made from sources other than the fund (including financial institutions) for a purpose permitted by this chapter; or
  - (B) provide interest subsidies.
- (2) To pay financing charges, including interest on the loan or other financial assistance during remediation and for a reasonable period after the completion of remediation.
- (3) To pay consultant, advisory, and legal fees, and any other costs or expenses resulting from:
  - (A) the assessment, planning, or remediation of a brownfield; or
  - (B) the loan or other financial assistance.
- (b) The authority shall establish the interest rate or parameters for establishing the interest rate on each loan made under this chapter, including parameters for establishing the amount of interest subsidies.
- (c) The authority, in setting the interest rate or parameters for establishing the interest rate on each loan, may take into account the following:

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- (1) Credit risk.
- (2) Environmental enforcement and protection.
- (3) Affordability.
- (4) Other fiscal factors the authority considers relevant, including the program's cost of funds and whether the financial assistance provided to a particular political subdivision is taxable or tax exempt under federal law.

Based on the factors set forth in subdivisions (1) through (4), more than one (1) interest rate may be established and used for loans or other financial assistance to different political subdivisions or for different loans or other financial assistance to the same political subdivision.

(d) Not more than ~~ten~~ **fifty** percent ~~(+10%)~~ **(50%)** of the money available in the fund during a **state fiscal** year may be loaned or otherwise provided to any one (1) political subdivision **during that fiscal year.**

(e) Before a political subdivision may receive a loan or other financial assistance, including grants, from the fund, a political subdivision must submit the following:

- (1) Documentation of community and neighborhood comment concerning the use of a brownfield on which remediation activities will be undertaken after remediation activities are completed.
- (2) A plan for repayment of the loan or other financial assistance, if applicable.
- (3) An approving opinion of a nationally recognized bond counsel if required by the authority.
- (4) A summary of the environmental objectives of the proposed project.

(f) A political subdivision that receives a loan or other financial assistance from the fund shall enter into a financial assistance agreement. A financial assistance agreement is a valid, binding, and enforceable agreement of the political subdivision.

(g) The authority may sell or assign:

- (1) loans or evidence of other financial assistance; and
- (2) other obligations of political subdivisions evidencing the loans or other financial assistance from the fund;

at any price and on terms acceptable to the authority. Proceeds of sales or assignments under this subsection shall be deposited in the fund. A sale or an assignment under this subsection does not create a liability or an indebtedness of the state or the authority except, in the case of the authority, strictly in accordance with the sale or assignment terms.

(h) The authority may pledge loans or evidences of other financial

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1 assistance and other obligations of political subdivisions evidencing the  
 2 loans or other financial assistance from the fund to secure other loans  
 3 or financial assistance from the fund to or for the benefit of political  
 4 subdivisions. The terms of a pledge under this subsection must be  
 5 approved by the budget agency. Notwithstanding any other law, a  
 6 pledge of property made by the authority and approved by the budget  
 7 agency under this subsection is binding from the time the pledge is  
 8 made. Revenues, other money, or other property pledged and then  
 9 received are immediately subject to the lien of the pledge without any  
 10 further act. The lien of a pledge is binding against all parties having  
 11 claims of any kind in tort, contract, or otherwise against the authority,  
 12 a trustee, or the fund, regardless of whether the parties have notice of  
 13 a lien. A resolution, an indenture, or other instrument by which a  
 14 pledge is created is not required to be filed or recorded, except in the  
 15 records of the authority. An action taken to enforce a pledge under this  
 16 subsection and to realize the benefits of the pledge is limited to the  
 17 property pledged. A pledge under this subsection does not create a  
 18 liability or an indebtedness of the state or the authority except, in the  
 19 case of the authority, strictly in accordance with the pledge terms.

20 SECTION 10. IC 13-23-16 IS ADDED TO THE INDIANA CODE  
 21 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
 22 JULY 1, 2007]:

23 **Chapter 16. Brownfield Activities by a Political Subdivision**

24 **Sec. 1. (a) A political subdivision or unit of federal or state**  
 25 **government that acquired ownership or control of an underground**  
 26 **storage tank on a brownfield by any of the means listed in**  
 27 **IC 13-11-2-150(c) and IC 13-11-2-151(b) may undertake any**  
 28 **activity in conjunction with:**

29 (1) investigation or remediation of hazardous substances,  
 30 petroleum, and other pollutants associated with a brownfield,  
 31 including complying with land use restrictions and  
 32 institutional controls; or

33 (2) monitoring or closure of an underground storage tank;  
 34 unless existing contamination on the brownfield is exacerbated due  
 35 to gross negligence or intentional misconduct by the political  
 36 subdivision or unit of federal or state government.

37 (b) For purposes of subsection (a), reckless, willful, or wanton  
 38 misconduct constitutes gross negligence.

39 SECTION 11. IC 13-25-4-8, AS AMENDED BY P.L.1-2006,  
 40 SECTION 205, IS AMENDED TO READ AS FOLLOWS  
 41 [EFFECTIVE JULY 1, 2007]: Sec. 8. (a) Except as provided in  
 42 subsection (b), (c), or (d), a person that is liable under Section 107(a)

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of CERCLA (42 U.S.C. 9607(a)) for:

- (1) the costs of removal or remedial action incurred by the commissioner consistent with the national contingency plan;
- (2) the costs of any health assessment or health effects study carried out by or on behalf of the commissioner under Section 104(i) of CERCLA (42 U.S.C. 9604(i)); or
- (3) damages for:
  - (A) injury to;
  - (B) destruction of; or
  - (C) loss of;

natural resources of Indiana;

is liable, in the same manner and to the same extent, to the state under this section.

(b) The exceptions provided by Sections 107(b), 107(q), and 107(r) of CERCLA (42 U.S.C. 9607(b), 42 U.S.C. 9607(q), and 42 U.S.C. 9607(r)) to liability otherwise imposed by Section 107(a) of CERCLA (42 U.S.C. 9607(a)) are equally applicable to any liability otherwise imposed under subsection (a).

(c) Notwithstanding any liability imposed by the environmental management laws, a lender, a secured or unsecured creditor, or a fiduciary is not liable under the environmental management laws, in connection with the release or threatened release of a hazardous substance from a facility unless the lender, the fiduciary, or creditor has participated in the management of the hazardous substance at the facility.

(d) Notwithstanding any liability imposed by the environmental management laws, the liability of a fiduciary for a release or threatened release of a hazardous substance from a facility that is held by the fiduciary in its fiduciary capacity may be satisfied only from the assets held by the fiduciary in the same estate or trust as the facility that gives rise to the liability.

(e) Except as provided in subsection (g), a political subdivision (as defined in IC 36-1-2-13) or unit of federal or state government is not liable to the state under this section for costs or damages associated with the presence of a hazardous substance on, in, or at a property in which the political subdivision or unit of federal or state government acquired an interest in the property because of:

- (1) bankruptcy;
- (2) foreclosure;
- (3) tax delinquency, including an acquisition under IC 6-1.1-24 or IC 6-1.1-25;
- (4) abandonment;

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(5) the exercise of eminent domain, including any purchase of property once an offer to purchase has been tendered under IC 32-24-1-5;

(6) receivership;

~~(7) other circumstances in which the political subdivision or unit of federal or state government involuntarily acquired an interest in the property because of the political subdivision's or unit's function as sovereign;~~

~~(8) (7) transfer from another political subdivision or unit of federal or state government; or~~

**(8) acquiring an area needing redevelopment (as defined in IC 36-7-1-3) or conducting redevelopment activities, specifically under IC 36-7-14-22.2, IC 36-7-14-22.5, IC 36-7-15.1-15.1, IC 36-7-15.1-15.2, and IC 36-7-15.1-15.5;**

**(9) other circumstances in which the political subdivision or unit of federal or state government involuntarily acquired ownership or control because of the political subdivision's or unit's function as sovereign; or**

~~(9) (10) any other means to conduct remedial actions on a brownfield.~~

(f) If a transfer of an interest in property as described in subsection (e) occurs, a person who owned, operated, or otherwise controlled the property immediately before the political subdivision or unit of federal or state government acquired the interest in the property remains liable under this section:

(1) in the same manner; and

(2) to the same extent;

as the person was liable immediately before the person's interest in the property was acquired by the political subdivision or unit of federal or state government.

(g) Notwithstanding subsection (e), a political subdivision or unit of federal or state government that causes or contributes to the release or threatened release of a hazardous substance on, in, or at a property remains subject to this section:

(1) in the same manner; and

(2) to the same extent;

as a nongovernmental entity under this section.

**(h) A political subdivision or unit of federal or state government that establishes an exemption or defense under subsection (b) or (e) may undertake any activity related to:**

**(1) investigation, removal, or remedial action on a brownfield, including complying with land use restrictions and**

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1 institutional controls; or

2 (2) monitoring or closure of an underground storage tank;  
3 without being considered as contributing to the existing release or  
4 threatened release of hazardous substances on, in, or at the  
5 brownfield unless existing contamination on the brownfield is  
6 exacerbated due to gross negligence or intentional misconduct by  
7 the political subdivision or unit of federal or state government.

8 (i) For purposes of subsection (h), reckless, willful, or wanton  
9 misconduct constitutes gross negligence.

10 SECTION 12. IC 36-1-7-1 IS AMENDED TO READ AS  
11 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. This chapter applies  
12 to the following:

13 (1) The state.

14 (2) All political subdivisions.

15 (3) All state agencies.

16 (4) Any of the following created by state law:

17 (A) Public instrumentalities.

18 (B) Public corporate bodies.

19 ~~(4)~~ (5) Another state to the extent authorized by the law of that  
20 state.

21 ~~(5)~~ (6) Political subdivisions of states other than Indiana, to the  
22 extent authorized by laws of the other states.

23 ~~(6)~~ (7) Agencies of the federal government, to the extent  
24 authorized by federal laws.

25 SECTION 13. IC 36-1-7-4 IS AMENDED TO READ AS  
26 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 4. (a) If an agreement  
27 under section 3 of this chapter:

28 (1) involves as parties:

29 (A) only Indiana political subdivisions; or

30 (B) an Indiana political subdivision and:

31 (i) a public instrumentality; or

32 (ii) a public corporate body;

33 created by state law;

34 (2) is approved by the fiscal body of each party **that is an**  
35 **Indiana political subdivision** either before or after ~~it the~~  
36 **agreement** is entered into by the ~~executives~~ **executive** of the  
37 ~~parties;~~ **party;** and

38 (3) delegates to the treasurer or disbursing officer of one (1) of the  
39 parties **that is an Indiana political subdivision** the duty to  
40 receive, disburse, and account for all monies of the joint  
41 undertaking;

42 then the approval of the attorney general is not required.

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(b) If subsection (a) does not apply, an agreement under section 3 of this chapter must be submitted to the attorney general for his approval. The attorney general shall approve the agreement unless ~~he~~ **the attorney general** finds that it does not comply with the statutes, in which case ~~he~~ **the attorney general** shall detail in writing for the ~~executives of the~~ parties the specific respects in which the agreement does not comply. If the attorney general fails to disapprove the agreement within sixty (60) days after it is submitted to ~~him~~, **the attorney general**, it is considered approved.

SECTION 14. IC 36-1-7-15, AS AMENDED BY P.L.203-2005, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 15. (a) As used in this section, "economic development entity" means **any of the following**:

- (1) A department of redevelopment organized under IC 36-7-14.
- (2) A department of metropolitan development under IC 36-7-15.1.
- (3) A port authority organized under IC 8-10-5. ~~or~~
- (4) An airport authority organized under IC 8-22-3.
- (5) **The Indiana finance authority.**

(b) Notwithstanding section 2 of this chapter, two (2) or more economic development entities may enter into a written agreement under section 3 of this chapter if the agreement is approved by each entity's governing body.

(c) A party to an agreement under this section may do one (1) or more of the following:

- (1) Except as provided in subsection (d), grant one (1) or more of its powers to another party to the agreement.
- (2) Exercise any power granted to it by a party to the agreement.
- (3) Pledge any of its revenues, including taxes or allocated taxes under IC 36-7-14, IC 36-7-15.1, or IC 8-22-3.5, to the bonds or lease rental obligations of another party to the agreement under IC 5-1-14-4.

(d) An economic development entity may not grant to another entity the power to tax or to establish an allocation area under IC 8-22-3.5, IC 36-7-14-39, or IC 36-7-15.1.

(e) An agreement under this section does not have to comply with section 3(a)(5) or 4 of this chapter.

(f) An action to challenge the validity of an agreement under this section must be brought within thirty (30) days after the agreement has been approved by all the parties to the agreement. After that period has passed, the agreement is not contestable for any cause.

SECTION 15. IC 36-7-1-3, AS AMENDED BY P.L.185-2005,

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SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3. "Area needing redevelopment" means an area in which normal development and occupancy are undesirable or impossible because of **any of the following**:

- (1) Lack of development.
- (2) Cessation of growth.
- (3) Deteriorated or deteriorating improvements.
- (4) Environmental contamination.**
- ~~(4)~~ **(5)** Character of occupancy.
- ~~(5)~~ **(6)** Age.
- ~~(6)~~ **(7)** Obsolescence.
- ~~(7)~~ **(8)** Substandard buildings. **or**
- ~~(8)~~ **(9)** Other factors that impair values or prevent a normal use or development of property.

SECTION 16. IC 36-7-1-18, AS AMENDED BY P.L.185-2005, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 18. "Redevelopment" includes the following activities:

- (1) Acquiring real property in areas needing redevelopment.
- (2) Replatting and determining the proper use of real property acquired.
- (3) Opening, closing, relocating, widening, and improving public ways.
- (4) Relocating, constructing, and improving sewers, utility services, offstreet parking facilities, and levees.
- (5) Laying out and constructing necessary public improvements, including parks, playgrounds, and other recreational facilities.
- (6) Restricting the use of real property acquired according to law.
- (7) Repairing and maintaining buildings acquired, if demolition of those buildings is not considered necessary to carry out the redevelopment plan.
- (8) Rehabilitating real or personal property, whether or not acquired, to carry out the redevelopment or urban renewal plan.
- (9) Investigating or remediating environmental contamination on real property to carry out the redevelopment or urban renewal plan, regardless of whether the real property is acquired by the unit.**
- ~~(9)~~ **(10)** Disposing of property acquired on the terms and conditions and for the uses and purposes that best serve the interests of the units served by the redevelopment commission.
- ~~(10)~~ **(11)** Making payments required or authorized by IC 8-23-17.
- ~~(11)~~ **(12)** Performing all acts incident to the statutory powers and

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duties of a redevelopment commission.

SECTION 17. IC 36-7-14-2.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2.5. (a) The **assessment**, planning, replanning, **remediation**, development, and redevelopment of economic development areas:

(1) are public and governmental functions that cannot be accomplished through the ordinary operations of private enterprise because of:

(1) ~~(1)~~ **(A)** the necessity for requiring the proper use of the land so as to best serve the interests of the county and its citizens; and

~~(2)~~ **(B)** the costs of these projects;

~~(b) The planning, replanning, development, and redevelopment of economic development areas~~

~~(2)~~ will:

~~(1)~~ **(A)** benefit the public health, safety, morals, and welfare;

~~(2)~~ **(B)** increase the economic well-being of the unit and the state; and

~~(3)~~ **(C)** serve to protect and increase property values in the unit and the state;

~~(c) The planning, replanning, development, and redevelopment of economic development areas under this chapter~~

~~(3)~~ are public uses and purposes for which public money may be spent and private property may be acquired.

~~(d) (b)~~ This section and sections 41 and 43 of this chapter shall be liberally construed to carry out the purposes of this section.

SECTION 18. IC 36-7-14-11, AS AMENDED BY P.L.185-2005, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 11. The redevelopment commission shall:

(1) investigate, study, and survey areas needing redevelopment within the corporate boundaries of the unit;

(2) investigate, study, determine, and, to the extent possible, combat the causes of areas needing redevelopment;

(3) promote the use of land in the manner that best serves the interests of the unit and its inhabitants;

(4) cooperate:

**(A)** with the departments and agencies of:

**(i)** the unit; and ~~of~~

**(ii)** other governmental entities; **and**

**(B) with:**

**(i)** public instrumentalities; **and**

**(ii)** public corporate bodies;

**created by state law;**

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in the manner that best serves the purposes of this chapter;  
 (5) make findings and reports on their activities under this section, and keep those reports open to inspection by the public at the offices of the department;  
 (6) select and acquire the areas needing redevelopment to be redeveloped under this chapter; and  
 (7) replan and dispose of the areas needing redevelopment in the manner that best serves the social and economic interests of the unit and its inhabitants.

SECTION 19. IC 36-7-14-12.2, AS AMENDED BY P.L.185-2005, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 12.2. (a) The redevelopment commission may **do the following:**

(1) Acquire by purchase, exchange, gift, grant, condemnation, or lease, or any combination of methods, any personal property or interest in real property needed for the redevelopment of areas needing redevelopment that are located within the corporate boundaries of the unit.

(2) Hold, use, sell (by conveyance by deed, land sale contract, or other instrument), exchange, lease, rent, or otherwise dispose of property acquired for use in the redevelopment of areas needing redevelopment on the terms and conditions that the commission considers best for the unit and its inhabitants.

(3) Sell, lease, or grant interests in all or part of the real property acquired for redevelopment purposes to any other department of the unit or to any other governmental agency for public ways, levees, sewerage, parks, playgrounds, schools, and other public purposes on any terms that may be agreed on.

(4) Clear real property acquired for redevelopment purposes.

**(5) Investigate or remediate any of the following associated with a brownfield (as defined in IC 13-11-2-19.3) acquired for redevelopment purposes:**

**(A) Hazardous substances.**

**(B) Petroleum.**

**(C) Other pollutants.**

~~(5)~~ (6) Repair and maintain structures acquired for redevelopment purposes.

~~(6)~~ (7) Remodel, rebuild, enlarge, or make major structural improvements on structures acquired for redevelopment purposes.

~~(7)~~ (8) Survey or examine any land to determine whether it should be included within an area needing redevelopment to be acquired for redevelopment purposes and to determine the value of that

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land.

~~(8)~~ **(9)** Appear before any other department or agency of the unit, or before any other governmental agency in respect to any matter affecting:

(A) real property acquired or being acquired for redevelopment purposes; or

(B) any area needing redevelopment within the jurisdiction of the commissioners.

~~(9)~~ **(10)** Institute or defend in the name of the unit any civil action.

~~(10)~~ **(11)** Use any legal or equitable remedy that is necessary or considered proper to protect and enforce the rights of and perform the duties of the department of redevelopment.

~~(11)~~ **(12)** Exercise the power of eminent domain in the name of and within the corporate boundaries of the unit in the manner prescribed by section 20 of this chapter.

~~(12)~~ **(13)** Appoint an executive director, appraisers, real estate experts, engineers, architects, surveyors, and attorneys.

~~(13)~~ **(14)** Appoint clerks, guards, laborers, and other employees the commission considers advisable, except that those appointments must be made in accordance with the merit system of the unit if such a system exists.

~~(14)~~ **(15)** Prescribe the duties and regulate the compensation of employees of the department of redevelopment.

~~(15)~~ **(16)** Provide a pension and retirement system for employees of the department of redevelopment by using the Indiana public employees' retirement fund or a retirement plan approved by the United States Department of Housing and Urban Development.

~~(16)~~ **(17)** Discharge and appoint successors to employees of the department of redevelopment subject to subdivision ~~(13)~~; **(14)**.

~~(17)~~ **(18)** Rent offices for use of the department of redevelopment, or accept the use of offices furnished by the unit.

~~(18)~~ **(19)** Equip the offices of the department of redevelopment with the necessary furniture, furnishings, equipment, records, and supplies.

~~(19)~~ **(20)** Expend, on behalf of the special taxing district, all or any part of the money of the special taxing district.

~~(20)~~ **(21)** Contract for the construction of:

(A) local public improvements (as defined in IC 36-7-14.5-6) or structures that are necessary for redevelopment of areas needing redevelopment or economic development within the corporate boundaries of the unit; or

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- 1 (B) any structure that enhances development or economic  
 2 development.
- 3 ~~(21)~~ **(22)** Contract for the construction, extension, or  
 4 improvement of pedestrian skyways.
- 5 ~~(22)~~ **(23)** Accept loans, grants, and other forms of financial  
 6 assistance from the federal government, the state government, a  
 7 municipal corporation, a special taxing district, a foundation, or  
 8 any other source.
- 9 ~~(23)~~ **(24)** Provide financial assistance (including grants and loans)  
 10 to enable individuals and families to purchase or lease residential  
 11 units within the district. However, financial assistance may be  
 12 provided only to individuals and families whose income is at or  
 13 below the unit's median income for individuals and families,  
 14 respectively.
- 15 ~~(24)~~ **(25)** Provide financial assistance (including grants and loans)  
 16 to neighborhood development corporations to permit them to:
- 17 (A) provide financial assistance for the purposes described in  
 18 subdivision ~~(23)~~; **(24)**; or
- 19 (B) construct, rehabilitate, or repair commercial property  
 20 within the district. ~~and~~
- 21 ~~(25)~~ **(26)** Require as a condition of financial assistance to the  
 22 owner of a multiple unit residential structure that any of the units  
 23 leased by the owner must be leased:
- 24 (A) for a period to be determined by the commission, which  
 25 may not be less than five (5) years;
- 26 (B) to families whose income does not exceed eighty percent  
 27 (80%) of the unit's median income for families; and
- 28 (C) at an affordable rate.
- 29 (b) Conditions imposed by the commission under subsection ~~(a)(25)~~  
 30 **(a)(26)** remain in force throughout the period determined under  
 31 subsection ~~(a)(25)(A)~~; **(a)(26)(A)**, even if the owner sells, leases, or  
 32 conveys the property. The subsequent owner or lessee is bound by the  
 33 conditions for the remainder of the period.
- 34 (c) As used in this section, "pedestrian skyway" means a pedestrian  
 35 walkway within or outside of the public right-of-way and through and  
 36 above public or private property and buildings, including all structural  
 37 supports required to connect skyways to buildings or buildings under  
 38 construction. Pedestrian skyways constructed, extended, or improved  
 39 over or through public or private property constitute public property  
 40 and public improvements, constitute a public use and purpose, and do  
 41 not require vacation of any public way or other property.
- 42 (d) All powers that may be exercised under this chapter by the

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redevelopment commission may also be exercised by the redevelopment commission in carrying out its duties and purposes under IC 36-7-14.5.

SECTION 20. IC 36-7-14-12.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 12.3. IC 5-16-7 applies to:

(1) a person that enters into a contract with a redevelopment commission to perform construction work referred to in section 12.2(a)(4), ~~12.2(a)(6), 12.2(a)(20), or 12.2(a)(7)~~, 12.2(a)(21), or **12.2(a)(22)** of this chapter; and

(2) a subcontractor of a person described in subdivision (1); with respect to the construction work referred to in subdivision (1).

SECTION 21. IC 36-7-14-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 14. (a) A county may contract with a city within the county to have any of the duties and powers listed in sections 11 and 12.2 of this chapter performed by the redevelopment commission of the city.

(b) A city may contract with the county in which it is located to have any of the duties and powers listed in sections 11 and 12.2 of this chapter performed by the redevelopment commission of the county.

**(c) A city or county may contract with:**

**(1) a public instrumentality; or**

**(2) a public corporate body;**

**created by state law to have the powers listed in section 12.2(a)(4) through 12.2(a)(6) of this chapter performed by the public instrumentality or public corporate body.**

~~(c)~~ **(d)** A contract made under this section must be for a stated and limited period and may be renewed.

~~(d)~~ **(e)** Whenever a city official acts under a contract made under this section, or whenever permits or other writings are used under such a contract, the action or use must be in the name of the county redevelopment commission.

SECTION 22. IC 36-7-14-15, AS AMENDED BY P.L.185-2005, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 15. (a) Whenever the redevelopment commission finds that:

(1) an area in the territory under their jurisdiction is an area needing redevelopment;

(2) the conditions described in IC 36-7-1-3 cannot be corrected in the area by regulatory processes or the ordinary operations of private enterprise without resort to this chapter; and

(3) the public health and welfare will be benefited by the

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1 acquisition and redevelopment of the area under this chapter;  
 2 the commission shall cause to be prepared the data described in  
 3 subsection (b).

4 (b) After making a finding under subsection (a), the commission  
 5 shall cause to be prepared:

6 (1) maps and plats showing:

7 (A) the boundaries of the area needing redevelopment, the  
 8 location of the various parcels of property, streets, alleys, and  
 9 other features affecting the acquisition, clearance,  
 10 **remediation**, replatting, replanning, rezoning, or  
 11 redevelopment of the area, indicating any parcels of property  
 12 to be excluded from the acquisition; and

13 (B) the parts of the area acquired that are to be devoted to  
 14 public ways, levees, sewerage, parks, playgrounds, and other  
 15 public purposes under the redevelopment plan;

16 (2) lists of the owners of the various parcels of property proposed  
 17 to be acquired; and

18 (3) an estimate of the cost of acquisition and redevelopment.

19 (c) After completion of the data required by subsection (b), the  
 20 redevelopment commission shall adopt a resolution declaring that:

21 (1) the area needing redevelopment is a menace to the social and  
 22 economic interest of the unit and its inhabitants;

23 (2) it will be of public utility and benefit to acquire the area and  
 24 redevelop it under this chapter; and

25 (3) the area is designated as a redevelopment project area for  
 26 purposes of this chapter.

27 The resolution must state the general boundaries of the redevelopment  
 28 project area, and that the department of redevelopment proposes to  
 29 acquire all of the interests in the land within the boundaries, with  
 30 certain designated exceptions, if there are any.

31 (d) For the purpose of adopting a resolution under subsection (c), it  
 32 is sufficient to describe the boundaries of the redevelopment project  
 33 area by its location in relation to public ways or streams, or otherwise,  
 34 as determined by the commissioners. Property excepted from the  
 35 acquisition may be described by street numbers or location.

36 SECTION 23. IC 36-7-14-21 IS AMENDED TO READ AS  
 37 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 21. (a) The  
 38 redevelopment commission may proceed with the clearing and  
 39 replanning of the area described in the resolution before the acquisition  
 40 of all of that area. It may also proceed with the repair and maintenance  
 41 of buildings that have been acquired and are not to be cleared, **and**  
 42 **with the following with respect to environmental contamination:**

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1           **(1) Investigation.**

2           **(2) Remediation.**

3       ~~This clearance, repair, and maintenance~~ **The redevelopment**  
 4       **commission may be carried carry out activities under this subsection**  
 5       by labor employed directly by the commission or by contract. Contracts  
 6       for clearance may provide that the contractor is entitled to retain and  
 7       dispose of salvaged material, as a part of the contract price or on the  
 8       basis of stated prices for the amounts of the various materials actually  
 9       salvaged.

10       (b) All contracts for material or labor under this section shall be let  
 11       under IC 36-1.

12       (c) In the planning and rezoning of the real property acquired, the  
 13       opening, closing, relocation, and improvement of public ways, and the  
 14       construction, relocation, and improvement of levees, sewers, parking  
 15       facilities, and utility services, the redevelopment commission shall  
 16       proceed in the same manner as private owners of the property. It may  
 17       negotiate with the proper officers and agencies of the unit to secure the  
 18       proper orders, approvals, and consents.

19       (d) Any construction work required in connection with  
 20       improvements in the area described in the resolution may be carried out  
 21       by:

22           (1) the appropriate municipal or county department or agency; or

23           (2) the department of redevelopment, if:

24               (A) all plans, specifications, and drawings are approved by the  
 25               appropriate department or agency; and

26               (B) the statutory procedures for the letting of contracts by the  
 27               appropriate department or agency are followed by the  
 28               department of redevelopment.

29       (e) The redevelopment commission may pay any charges or  
 30       assessments made on account of orders, approval, consents, and  
 31       construction work under this section, or may agree to pay these  
 32       assessments in installments as provided by statute in the case of private  
 33       owners. The commission may:

34           (1) by special waiver filed with the municipal works board or  
 35           county executive, waive the statutory procedure and notices  
 36           required by law in order to create valid liens on private property;  
 37           and

38           (2) cause any assessments to be spread on a different basis than  
 39           that provided by statute.

40       (f) None of the real property acquired under this chapter may be set  
 41       aside and dedicated for public ways, parking facilities, sewers, levees,  
 42       parks, or other public purposes until the redevelopment commission

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has obtained the consent and approval of the department or agency under whose jurisdiction the property will be placed.

SECTION 24. IC 36-7-14-30, AS AMENDED BY P.L.185-2005, SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 30. In addition to its authority under any other section of this chapter, the redevelopment commission may plan and undertake urban renewal projects. For purposes of this chapter, an urban renewal project includes undertakings and activities for the elimination and the prevention of the conditions described in IC 36-7-1-3, and may involve any work or undertaking that is performed for those purposes and is related to a redevelopment project, or any rehabilitation or conservation work, or any combination of such an undertaking or work, such as **the following**:

(1) Carrying out plans for a program of voluntary or compulsory repair and rehabilitation of buildings or other improvements.

(2) Acquisition of real property and demolition, removal, or rehabilitation of buildings and improvements on the property when necessary **for the following**:

(A) To eliminate unhealthful, unsanitary, or unsafe conditions.

(B) To eliminate environmental contamination.

(C) To do any of the following:

(i) Lessen density.

(ii) Reduce traffic hazards.

(iii) Eliminate uses that are obsolete or otherwise detrimental to the public welfare.

(iv) Otherwise remove or prevent the spread of the conditions described in IC 36-7-1-3. ~~or~~

(v) Provide land for needed public facilities.

(3) Installation, construction, or reconstruction of streets, utilities, parks, playgrounds, and other improvements necessary for carrying out the objectives of the urban renewal project. ~~and~~

(4) The disposition, for uses in accordance with the objectives of the urban renewal project, of any property acquired in the area of the project.

SECTION 25. IC 36-7-14-32, AS AMENDED BY P.L.185-2005, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 32. (a) In connection with the planning and undertaking of an urban renewal plan or urban renewal project, the redevelopment commission, municipal, county, public, and private officers, agencies, and bodies have all the rights, powers, privileges, duties, and immunities that they have with respect to a redevelopment plan or redevelopment project, as if all of the provisions of this chapter

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applicable to a redevelopment plan or redevelopment project were applicable to an urban renewal plan or urban renewal project.

(b) In addition to its other powers, the redevelopment commission may also:

(1) make plans for carrying out a program of voluntary repair and rehabilitation of buildings and improvements;

(2) make plans for the enforcement of laws and regulations relating to the use of land and the use and occupancy of buildings and improvements, and to the compulsory repair, rehabilitation, demolition, or removal of buildings and improvements;

(3) make preliminary plans outlining urban renewal activities for neighborhoods to embrace two (2) or more urban renewal areas;

(4) make preliminary surveys, **including environmental assessments**, to determine if the undertaking and carrying out of an urban renewal project are feasible;

(5) make plans for the relocation of persons (including families, business concerns, and others) displaced by an urban renewal project;

(6) make relocation payments to or with respect to persons (including families, business concerns, and others) displaced by an urban renewal project, for moving expenses and losses of property for which reimbursement or compensation is not otherwise made, including the making of payments financed by the federal government; and

(7) develop, test, and report methods and techniques, and carry out demonstrations and other activities, for the prevention and the elimination of the conditions described in IC 36-7-1-3 in urban areas.

SECTION 26. IC 36-7-14-33 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 33. (a) Any:

(1) political subdivision; ~~or~~

(2) other governmental entity;

(3) **public instrumentality created by state law; or**

(4) **public body created by state law,**

may, in the area in which it is authorized to act, do all things necessary to aid and cooperate in the planning and undertaking of an urban renewal project, including furnishing the financial and other assistance that it is authorized by this chapter to furnish for or in connection with a redevelopment plan or redevelopment project.

(b) The redevelopment commission may delegate to:

(1) an executive department of a unit or county; ~~or to~~

(2) another governmental entity;

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1           **(3) a public instrumentality created by state law; or**

2           **(4) a public body created by state law;**

3           any of the powers or functions of the commission with respect to the  
4           planning or undertaking of an urban renewal project in the area in  
5           which that department, ~~or~~ entity, **public instrumentality, or public**  
6           **body** is authorized to act. The department, ~~or~~ entity, **public**  
7           **instrumentality, or public body** may then carry out or perform those  
8           powers or functions for the commission.

9           (c) A unit, ~~or other~~ **another** governmental entity, **a public**  
10          **instrumentality created by state law, or a public body created by**  
11          **state law** may enter into agreements with the redevelopment  
12          commission or any other entity respecting action to be taken under this  
13          chapter, including the furnishing of funds or other assistance in  
14          connection with an urban renewal plan or urban renewal project. These  
15          agreements may extend over any period, notwithstanding any other  
16          law.

17          SECTION 27. IC 36-7-15.1-2, AS AMENDED BY P.L.185-2005,  
18          SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
19          JULY 1, 2007]: Sec. 2. (a) The **assessment**, clearance, **remediation**,  
20          replanning, and redevelopment of areas needing redevelopment are  
21          public and governmental functions that cannot be accomplished  
22          through the ordinary operations of private enterprise, due to the  
23          necessity for the exercise of the power of eminent domain, the  
24          necessity for requiring the proper use of the land so as to best serve the  
25          interests of the county and its citizens, and the cost of these projects.

26          (b) The conditions that exist in areas needing redevelopment are  
27          beyond remedy and control by regulatory processes because of the  
28          obsolescence and deteriorated conditions of improvements,  
29          **environmental contamination**, faulty land use, shifting of population,  
30          and technological and social changes.

31          (c) The **assessment**, clearing, **remediation**, replanning, and  
32          redevelopment of areas needing redevelopment will benefit the health,  
33          safety, morals, and welfare and will serve to protect and increase  
34          property values in the county and the state.

35          (d) The **assessment**, clearance, **remediation**, replanning, and  
36          redevelopment of areas needing redevelopment under this chapter are  
37          public uses and purposes for which public money may be spent and  
38          private property may be acquired.

39          (e) This chapter shall be liberally construed to carry out the  
40          purposes of this section.

41          SECTION 28. IC 36-7-15.1-6, AS AMENDED BY P.L.185-2005,  
42          SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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JULY 1, 2007]: Sec. 6. The commission shall:

- (1) investigate, study, and survey areas needing redevelopment within the redevelopment district;
- (2) investigate, study, determine, and to the extent possible combat the causes of the conditions described in IC 36-7-1-3;
- (3) promote the use of land in the manner that best serves the interests of the consolidated city and its inhabitants, both from the standpoint of human needs and economic values;
- (4) cooperate:

(A) with the departments and agencies of:

- (i) the city; and ~~of~~
- (ii) other governmental entities; **and**

(B) with:

- (i) **public instrumentalities; and**
- (ii) **public bodies;**

**created by state law;**

in the manner that best serves the purposes of this chapter;

- (5) make findings and reports on its activities under this section, and keep those reports open to inspection by the public at the offices of the department;

- (6) select and acquire the areas needing redevelopment to be redeveloped under this chapter; and

- (7) replan and dispose of the areas needing redevelopment in the manner that best serves the social and economic interests of the city and its inhabitants.

SECTION 29. IC 36-7-15.1-7, AS AMENDED BY P.L.185-2005, SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 7. (a) In carrying out its duties and purposes under this chapter, the commission may do the following:

- (1) Acquire by purchase, exchange, gift, grant, lease, or condemnation, or any combination of methods, any real or personal property or interest in property needed for the redevelopment of areas needing redevelopment that are located within the redevelopment district.
- (2) Hold, use, sell (by conveyance by deed, land sale contract, or other instrument), exchange, lease, rent, invest in, or otherwise dispose of, through any combination of methods, property acquired for use in the redevelopment of areas needing redevelopment on the terms and conditions that the commission considers best for the city and its inhabitants.
- (3) Acquire from and sell, lease, or grant interests in all or part of the real property acquired for redevelopment purposes to any

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other department of the city, or to any other governmental agency, for public ways, levees, sewerage, parks, playgrounds, schools, and other public purposes, on any terms that may be agreed upon.

(4) Clear real property acquired for redevelopment purposes.

**(5) Investigate or remediate any of the following associated with a brownfield (as defined in IC 13-11-2-19.3) acquired for redevelopment purposes:**

**(A) Hazardous substances.**

**(B) Petroleum.**

**(C) Other pollutants.**

~~(5)~~ (6) Repair and maintain structures acquired or to be acquired for redevelopment purposes.

~~(6)~~ (7) Enter upon, survey, or examine any land, to determine whether it should be included within an area needing redevelopment to be acquired for redevelopment purposes, and determine the value of that land.

~~(7)~~ (8) Appear before any other department or agency of the city, or before any other governmental agency in respect to any matter affecting:

(A) real property acquired or being acquired for redevelopment purposes; or

(B) any area needing redevelopment within the jurisdiction of the commission.

~~(8)~~ (9) Exercise the power of eminent domain in the name of the city, within the redevelopment district, in the manner prescribed by this chapter.

~~(9)~~ (10) Establish a uniform fee schedule whenever appropriate for the performance of governmental assistance, or for providing materials and supplies to private persons in project or program related activities.

~~(10)~~ (11) Expend, on behalf of the redevelopment district, all or any part of the money available for the purposes of this chapter.

~~(11)~~ (12) Contract for the construction, extension, or improvement of pedestrian skyways.

~~(12)~~ (13) Accept loans, grants, and other forms of financial assistance from the federal government, the state government, a municipal corporation, a special taxing district, a foundation, or any other source.

~~(13)~~ (14) Provide financial assistance (including grants and loans) to enable individuals and families to purchase or lease residential units within the district. However, financial assistance may be provided only to those individuals and families whose income is

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at or below the county's median income for individuals and families, respectively.

~~(14)~~ **(15)** Provide financial assistance (including grants and loans) to neighborhood development corporations to permit them to:

(A) provide financial assistance for the purposes described in subdivision ~~(13)~~; **(14)**; or

(B) construct, rehabilitate, or repair commercial property within the district.

~~(15)~~ **(16)** Require as a condition of financial assistance to the owner of a multiunit residential structure that any of the units leased by the owner must be leased:

(A) for a period to be determined by the commission, which may not be less than five (5) years;

(B) to families whose income does not exceed eighty percent (80%) of the county's median income for families; and

(C) at an affordable rate.

Conditions imposed by the commission under this subdivision remain in force throughout the period determined under clause (A), even if the owner sells, leases, or conveys the property. The subsequent owner or lessee is bound by the conditions for the remainder of the period.

~~(16)~~ **(17)** Provide programs in job training, job enrichment, and basic skill development for residents of an enterprise zone.

~~(17)~~ **(18)** Provide loans and grants for the purpose of stimulating business activity in an enterprise zone or providing employment for residents of an enterprise zone.

~~(18)~~ **(19)** Contract for the construction, extension, or improvement of:

(A) public ways, sidewalks, sewers, waterlines, parking facilities, park or recreational areas, or other local public improvements (as defined in IC 36-7-15.3-6) or structures that are necessary for redevelopment of areas needing redevelopment or economic development within the redevelopment district; or

(B) any structure that enhances development or economic development.

(b) In addition to its powers under subsection (a), the commission may plan and undertake, alone or in cooperation with other agencies, projects for the redevelopment of, rehabilitating, preventing the spread of, or eliminating slums or areas needing redevelopment, both residential and nonresidential, which projects may include any of the following:

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(1) The repair or rehabilitation of buildings or other improvements by the commission, owners, or tenants.

(2) The acquisition of real property.

**(3) Either of the following with respect to environmental contamination on real property:**

**(A) Investigation.**

**(B) Remediation.**

~~(3)~~ **(4)** The demolition and removal of buildings or improvements on buildings acquired by the commission where necessary **for any of the following:**

**(A)** To eliminate unhealthful, unsanitary, or unsafe conditions.

**(B) To eliminate environmental contamination.**

**(C)** To lessen density.

**(D)** To reduce traffic hazards.

**(E)** To eliminate obsolete or other uses detrimental to public welfare.

**(F)** To otherwise remove or prevent the conditions described in IC 36-7-1-3. ~~or~~

**(G)** To provide land for needed public facilities.

~~(4)~~ **(5)** The preparation of sites and the construction of improvements (such as public ways and utility connections) to facilitate the sale or lease of property.

~~(5)~~ **(6)** The construction of buildings or facilities for residential, commercial, industrial, public, or other uses.

~~(6)~~ **(7)** The disposition in accordance with this chapter, for uses in accordance with the plans for the projects, of any property acquired in connection with the projects.

(c) The commission may use its powers under this chapter relative to real property and interests in real property obtained by voluntary sale or transfer, even though the real property and interests in real property are not located in a redevelopment or urban renewal project area established by the adoption and confirmation of a resolution under sections ~~8(b)~~, **8(c)**, 9, 10, and 11 of this chapter. In acquiring real property and interests in real property outside of a redevelopment or urban renewal project area, the commission shall comply with section 12(b) through 12(e) of this chapter. The commission shall hold, develop, use, and dispose of this real property and interests in real property substantially in accordance with section 15 of this chapter.

(d) As used in this section, "pedestrian skyway" means a pedestrian walkway within or outside of the public right-of-way and through and above public or private property and buildings, including all structural supports required to connect skyways to buildings or buildings under

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1 construction. Pedestrian skyways constructed, extended, or improved  
 2 over or through public or private property constitute public property  
 3 and public improvements, constitute a public use and purpose, and do  
 4 not require vacation of any public way or other property.

5 (e) All powers that may be exercised under this chapter by the  
 6 commission may also be exercised by the commission in carrying out  
 7 its duties and purposes under IC 36-7-15.3.

8 SECTION 30. IC 36-7-15.1-14 IS AMENDED TO READ AS  
 9 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 14. (a) The commission  
 10 may proceed with the clearing and replanning of the area described in  
 11 the resolution before the acquisition of all of that area. It may also  
 12 proceed with **any of the following**:

13 (1) The repair and maintenance of buildings that have been  
 14 acquired and are not to be cleared.

15 (2) **Investigation of environmental contamination.**

16 (3) **Remediation of environmental contamination.**

17 ~~This clearance, repair, and maintenance~~ **The commission** may be  
 18 ~~carried carry out the activities under this subsection~~ by labor  
 19 employed directly by the commission or by contract. Contracts for  
 20 clearance may provide that the contractor is entitled to retain and  
 21 dispose of salvaged material, as a part of the contract price or on the  
 22 basis of stated prices for the amounts of the various materials actually  
 23 salvaged.

24 (b) All contracts for material or labor under this section shall be let  
 25 under IC 36-1.

26 (c) In the replanning and rezoning of the real property acquired, the  
 27 opening, closing, relocation, and improvement of public ways, and the  
 28 construction, relocation, or improvement of levees, sewers, and utility  
 29 services, the commission shall proceed in the same manner as private  
 30 owners of property. It may negotiate with the proper officers and  
 31 agencies to secure the proper orders, approvals, and consents.

32 (d) The commission may pay any charges or assessments made on  
 33 account of orders, approvals, consents, and construction work under  
 34 this section, or may agree to pay these assessments in installments as  
 35 provided by statute in the case of private owners. The commission may:

36 (1) by special waiver filed with the works board, waive the  
 37 statutory procedure and notices required by law in order to create  
 38 valid liens on private property; and

39 (2) cause any assessments to be spread on a different basis than  
 40 that provided by statute.

41 (e) None of the real property acquired under this chapter may be set  
 42 aside and dedicated for public ways, sewers, levees, parks, or other

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public purposes until the commission has obtained the consent and approval of the department or agency under whose jurisdiction the property will be placed.

SECTION 31. IC 36-7-15.1-20, AS AMENDED BY P.L.185-2005, SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 20. In addition to its authority under any other section of this chapter, the commission may plan and undertake urban renewal projects. For purposes of this chapter, an urban renewal project includes undertakings and activities for the elimination or the prevention of the development or spread of the conditions described in IC 36-7-1-3, and may involve any work or undertaking that is performed for those purposes constituting a redevelopment project, or any rehabilitation or conservation work, or any combination of such an undertaking or work, such as **the following**:

(1) Carrying out plans for a program of voluntary or compulsory repair and rehabilitation of buildings or other improvements.

(2) Acquisition of real property and demolition, removal, or rehabilitation of buildings and improvements on the property when necessary to **do any of the following**:

(A) Eliminate unhealthful, unsanitary, or unsafe conditions.

**(B) Eliminate environmental contamination.**

(C) Lessen density.

**(D) Reduce traffic hazards.**

(E) Eliminate uses that are obsolete or otherwise detrimental to the public welfare.

(F) Otherwise remove or prevent the spread of the conditions described in IC 36-7-1-3. ~~or~~

**(G) Provide land for needed public facilities.**

(3) Installation, construction, or reconstruction of streets, utilities, parks, playgrounds, and other improvements necessary for carrying out the objectives of the urban renewal project. ~~and~~

(4) The disposition, for uses in accordance with the objectives of the urban renewal project, of any property acquired in the area of the project.

SECTION 32. IC 36-7-15.1-22, AS AMENDED BY P.L.185-2005, SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 22. (a) In connection with the planning and undertaking of an urban renewal plan or urban renewal project, the commission and all public and private officers, agencies, and bodies have all the rights, powers, privileges, duties, and immunities that they have with respect to a redevelopment plan or redevelopment project, as if all of the provisions of this chapter applicable to a redevelopment

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plan or redevelopment project were applicable to an urban renewal plan or urban renewal project.

(b) In addition to its other powers, the commission may also:

(1) make plans for carrying out a program of voluntary repair and rehabilitation of buildings and improvements;

(2) make plans for the enforcement of laws and regulations relating to the use of land and the use and occupancy of buildings and improvements, and to the compulsory repair, rehabilitation, demolition, or removal of buildings and improvements;

(3) make preliminary plans outlining urban renewal activities for neighborhoods to embrace two (2) or more urban renewal areas;

(4) make preliminary surveys, **including environmental assessments**, to determine if the undertaking and carrying out of an urban renewal project are feasible;

(5) make plans for the relocation of persons (including families, business concerns, and others) displaced by an urban renewal project;

(6) make relocation payments in accordance with eligibility requirements of IC 8-23-17 or the Uniform Relocation Assistance and Real Property Acquisitions Policy Act of 1970 (42 U.S.C. 4621 et seq.) to or with respect to persons (including families, business concerns, and others) displaced by an urban renewal project, for moving expenses and losses of property for which reimbursement or compensation is not otherwise made, including the making of payments financed by the federal government; and

(7) develop, test, and report methods and techniques, and carry out demonstrations and other activities, for the prevention and the elimination of the conditions described in IC 36-7-1-3 in urban areas.

SECTION 33. IC 36-7-15.1-23 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 23. (a) Any:

(1) political subdivision; ~~or~~

(2) other governmental entity;

(3) **public instrumentality created by state law; or**

(4) **public body created by state law;**

may, in the area in which it is authorized to act, do all things necessary to aid and cooperate in the planning and undertaking of an urban renewal project, including furnishing the financial and other assistance that it is authorized by this chapter to furnish for or in connection with a redevelopment plan or redevelopment project.

(b) The commission may delegate to:

(1) an executive department of the consolidated city or county; ~~or~~

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1 to

2 (2) another governmental entity;

3 (3) **a public instrumentality created by state law; or**

4 (4) **a public body created by state law;**

5 any of the powers or functions of the commission with respect to the  
6 planning or undertaking of an urban renewal project in the area in  
7 which that department or entity is authorized to act. The department,  
8 ~~or~~ entity, **public instrumentality, or public body** may then carry out  
9 or perform those powers or functions for the commission.

10 (c) A unit, ~~or other~~ **another** governmental entity, **a public**  
11 **instrumentality created by state law, or a public body created by**  
12 **state law** may enter into agreements with the commission or any other  
13 entity respecting action to be taken under this chapter, including the  
14 furnishing of funds or other assistance in connection with an urban  
15 renewal plan or urban renewal project. These agreements may extend  
16 over any period, notwithstanding any other law.

17 SECTION 34. IC 36-7-15.1-41 IS AMENDED TO READ AS  
18 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 41. (a) A political  
19 subdivision, ~~or other~~ **another** governmental entity, **a public**  
20 **instrumentality created by state law, or a public body created by**  
21 **state law** may, in the area in which it is authorized to act, do all things  
22 necessary to aid and cooperate in the planning and undertaking of a  
23 redevelopment or economic development project, including furnishing  
24 the financial and other assistance that it is authorized by this chapter to  
25 furnish for or in connection with a redevelopment plan or  
26 redevelopment project.

27 (b) A unit, ~~or other~~ **another** governmental entity, **a public**  
28 **instrumentality created by state law, or a public body created by**  
29 **state law** may enter into agreements with the commission or any other  
30 entity respecting action to be taken under this chapter, including the  
31 furnishing of funds or other assistance in connection with a  
32 redevelopment or economic development plan or project. These  
33 agreements may extend over any period, notwithstanding any other  
34 law.

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